



October 23, 2006

Amy Davidson  
Board of Assessors  
City Hall  
70 Allen Street  
Pittsfield, MA 01201

Re: Motor Vehicle Excise Exemption  
Our File No. 2006-368

Dear Ms. Davidson:

You inquired whether a local community could enact a bylaw or ordinance that would establish excise tax grants, i.e., refunds, to owners of fuel-efficient vehicles.

Massachusetts cities and towns do not have the power to enact local legislation pertaining to taxes. Although the Home Rule Amendment to the State's Constitution gives municipalities broad authority to exercise by bylaw or ordinance any governmental function which the Legislature can exercise, it also reserves certain powers exclusively to the Legislature. Section 7 of Article 89 of the Articles of Amendment of the Massachusetts Constitution, the Home Rule Amendment, expressly reserves the power to tax to the State Legislature with the following language: "Nothing in this article shall be deemed to grant to any city or town the power to ... levy, assess or collect taxes."

Consequently, only the Legislature possesses the authority to make changes in laws relating to municipal taxation. The Legislature can also authorize abatements and exemptions from local taxes. Mass. Const. Pt. II, Ch. 1 §1, art.4. A city cannot alter taxation law through local ordinances. For this reason, we believe the State Constitution precludes a city council or town meeting from enacting a local bylaw or ordinance such as proposed by the petition submitted to us for review.

If there are further questions, please do not hesitate to contact us.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kathleen Colleary", is written over a horizontal line.

Kathleen Colleary, Chief  
Bureau of Municipal Finance Law

KC/JFC